

SENATE BILL NO. 554—COMMITTEE ON GOVERNMENT AFFAIRS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 26, 2007

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing electronic payments and payments for expedited services received by certain state agencies. (BDR 31-632)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets **[omitted material]** is material to be omitted.

AN ACT relating to state financial administration; clarifying provisions governing the fees that certain state agencies may charge persons who use credit cards, debit cards and electronic transfers of money to make payments to those agencies; repealing provisions governing the provision of certain services by such a state agency in an expeditious or convenient manner; eliminating the Account for Expedited Services in the State General Fund; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, state agencies in the Executive Department of the State Government may be authorized to accept credit cards, debit cards or electronic transfers of money for payments made to those agencies and to charge a fee for each such transaction. (NRS 353.1465) This bill clarifies that the fee is a convenience fee.

Under existing law, such state agencies are authorized to charge a reasonable fee for providing a service in an expedited manner or in a manner that is expeditious or convenient to the customer. All such fees collected by those state agencies must be deposited with the State Treasurer for credit to the Account for Expedited Services in the State General Fund. (NRS 353.1475) This bill removes that authorization and eliminates the Account for Expedited Services.



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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 353.146 is hereby amended to read as follows:
353.146 As used in *this section and* NRS ~~[353.146 to 353.148, inclusive,]~~ *353.1465 and 353.147*, “state agency” means an agency, bureau, board, commission, department, division or any other unit of the Executive Department of the State Government.

Sec. 2. NRS 353.1465 is hereby amended to read as follows:

353.1465 1. Upon approval of the State Board of Finance, a state agency may enter into contracts with issuers of credit cards or debit cards or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the agency:

(a) For the payment of money owed to the agency for taxes, interest, penalties or any other obligation; or

(b) In payment for goods or services.

2. Before a state agency may enter into a contract pursuant to subsection 1, the agency must submit the proposed contract to the State Treasurer for his review and transmittal to the State Board of Finance.

3. ~~[Except as otherwise provided in subsection 4, if]~~ If the issuer or operator charges the state agency a fee for each use of a credit card or debit card or for each electronic transfer of money, the state agency may require the cardholder or the person requesting the electronic transfer of money to pay a *convenience* fee ~~[which]~~ *where appropriate and authorized. The total convenience fees charged by the state agency in a fiscal year* must not exceed the *total* amount *of fees* charged to the state agency by the issuer or operator ~~[-]~~.

~~—4.— A state agency that is required to pay a fee charged by the issuer or operator for the use of a credit card or debit card or for an electronic transfer of money may, pursuant to NRS 353.148, file a claim with the Director of the Department of Administration for reimbursement of the fees paid to the issuer or operator during the immediately preceding quarter.~~

~~—5.] in that fiscal year.~~

4. The Director of the Department of Administration shall adopt regulations providing for the submission of payments to state agencies pursuant to contracts authorized by this section. The regulations must not conflict with a regulation adopted pursuant to NRS 360.092 or 360A.020.

~~[6-]~~ 5. As used in this section:



(a) "Cardholder" means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) "Credit card" means any instrument or device, whether known as a credit card or credit plate or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

(c) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

(d) "Electronic transfer of money" has the meaning ascribed to it in NRS 463.01473.

(e) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

Sec. 3. NRS 353.1475 and 353.148 are hereby repealed.

TEXT OF REPEALED SECTIONS

353.1475 Additional fee for providing service to customer in expeditious or convenient manner; Account for Expedited Services.

1. Except as otherwise provided in this subsection and by specific statute, a state agency may charge, in addition to the fee otherwise imposed for a service provided by the agency, a reasonable fee for providing the service in an expedited manner or in a manner that is expeditious or convenient to the customer. A state agency shall not charge a fee pursuant to this subsection if it is otherwise authorized to charge a fee for providing special services.

2. The fee authorized pursuant to subsection 1 must not exceed 5 percent of the fee otherwise imposed.

3. All fees collected by a state agency pursuant to this section must be deposited with the State Treasurer for credit to the Account for Expedited Services, which is hereby created in the State General Fund. Any amount remaining in the Account at the end of a fiscal year must be carried forward to the next fiscal year.

353.148 Procedure for reimbursement of costs for providing services in expeditious or convenient manner.

1. A state agency that has, during the immediately preceding quarter, provided services in an expedited manner or in a manner



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that is expeditious or convenient to a customer may file a claim with the Director of the Department of Administration for reimbursement of the costs to the agency for providing those services.

2. Upon receipt of a claim pursuant to subsection 1, the Director of the Department of Administration shall make a recommendation to the Interim Finance Committee to approve the claim in whole or in part or to deny the claim. If the Interim Finance Committee approves the claim in whole or part, it must be paid from the Account for Expedited Services created by NRS 353.1475.

3. The amount of a claim submitted pursuant to this section must not exceed the total amount of the fees deposited by the agency with the State Treasurer pursuant to NRS 353.1475 during the immediately preceding quarter.

